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THE SWING OF THE HOE: RETOOLING BEGINS IN THE INDONESIAN ECONOMY

Bruce Glassburner and Kenneth D. Thomas

AT 10:00 O'CLOCK on New Year's Day in Djakarta, Dr. Sukarno swung his tjangkul, and the first year of the first phase of Indonesia's new planning era had begun. In demonstration of the nation's solidarity, 17 representatives of political and functional groups happily took a turn at groundbreaking with the broad-bladed hoe. Now, it is hoped, after 15 years of struggle and frustration, Indonesia has at last begun its much-desired upward movement along the path of political, social and economic development. The basic guide for this development is to be the Political Manifesto, a version of the President's Independence Day speech of August 17, 1959. The Manifesto calls for a "complete re-ordering of society." Our present concern, however, is with the planned reorganization of the economic system. From the economic point of view the most important aspects of the Manifesto, and the preliminary attempts to implement it which have followed in the past 20 months, are (1) anti-capitalism and anti-liberalism, (2) the concept of guided economy, and (3) the call for a complete retooling of the economy.

The influence of all three of these aspects of the Manifesto is very much in evidence in the most recent developments in the Indonesian economy. For, whereas as recently as a year ago a Djakarta newspaper could suggest that a New Economic Policy phase was about to begin, private enterprise now appears to be struggling to retain a place of significance and autonomy in the retooled system; the details of the prolix over-all plan are being laid out at great length; and the reorganization of the ownership and administration of the economic system, both agricultural and non-agricultural, is receiving extended attention.

In recent months evidence has begun to emerge that all of this should be taken very seriously, even though it is the common thing among both Indonesian and non-Indonesian observers to be quite cynical about the flood of slogans, the maze of regulations, and the rash of new committees and official institutions. It is still early to judge but, seen in the context of the broader sweep of Indonesian economic and political history, as well as from the immediate aspect of the comprehensiveness of the reorganization and planning being undertaken, it appears plausible to argue that the nation has indeed entered a new developmental phase and shows indication of a genuine intention to make major changes.

The Three Phases of Independent Indonesia's Economic History

The short economic history of independent Indonesia may be divided into three phases, including the one which the country now appears to be entering. The first phase, roughly 1950-57, may be regarded as the period of an unsuccessful attempt to live with the economic system that was the legacy of Dutch colonialism. In late 1949, when sovereignty was finally transferred to the Indonesian government, something less than half of the national product came from the tiny plots of the peasantry, and the remainder came largely from a private commercialized industrial, agricultural and mining sector that was dominated by foreign, particularly Dutch, interests.

At the beginning of this period, political leadership was firmly in the hands of a relatively conservative and pragmatic group which, despite its professions of strong nationalism and socialist ideology, made a conscientious effort to operate within the received framework. Their moves toward reduction of foreign influence and toward collectivism were hesitant, oblique and gradualistic. Because of the political vulnerability of this choice of the middle road, political power shifted year by year from such leaders as Mohammed Hatta, Mohammed Natsir and Sutan Sjahrir to more radical and nationalistic leaders such as Ali Sastroamidjojo, D. N. Aidit and, above all, President Sukarno. This period ended abruptly in December 1957 with the confiscation of Dutch enterprises and the subsequent expulsion of the vast majority of the Dutchmen connected with them.

The years 1958-60, the second phase, were dark ones of political realignment and economic readjustment. During 1958 most of the nation's energy and resources that might have been directed toward economic reconstruction were devoted to the prosecution of a civil war. This war was led on the rebel side mainly by the erstwhile political leaders who, disturbed and disgruntled by the radical and seemingly irrational behavior of the communist-supported Sukarno-nationalist leadership, had decided to attempt to pry the rich independence-minded islands of Sumatra and Sulawesi from Djakarta's grasp, and to force overpopulated, foreign-exchange-poor Java to its knees. To their dismay, however, the Indonesian army displayed far more cohesion, organization and military expertise than most observers had anticipated, and their rebellion rather quickly deteriorated to the status of guerrilla skirmishing.

The year 1959 was dominated by essentially non-economic political considerations. The President consolidated his growing strength by dismissing the constituent assembly, condemning that body bitterly for its failure to design a satisfactory constitution, and at the same time, by decree, reinstituting the old 1945 constitution. In the framework of the old constitution, the President assumed the position of Prime Minister, thereby achieving full command over the stronghold of his old political rivals, the

cabinet. This process was carried over into 1960, with the President extending his control to the parliament, and with the forcing of the political parties into a distinctly defensive position.

In this grim three-year period a number of decisions were made concerning the basic economic organization. During much of 1958 the fate of the newly acquired Dutch firms was still undecided. It was the hope of leaders of the private entrepreneur group that these firms would fall into the hands of their membership. The cabinet leadership did at least suggest that such a disposition of the firms might eventuate. But by late 1958 it was made abundantly plain that the days of strong governmental support of indigenous private entrepreneurship were gone.[1] And in March and April of 1959 the major Dutch firms were converted to state enterprises and given a virtual monopoly of the import trade--the stronghold of the indigenous private entrepreneur.

This decision did not set well with the Indonesian elite, for many of whom the import trade had been a source of new wealth. Their cries of protest were loud, and, in the face of the failure of the new state enterprises to carry on well the functions of their Dutch predecessors, their protests seemed worth considering. Consequently, the role of the private entrepreneur in Indonesian Socialism became a widely discussed topic in the press and in public seminars at the economics schools of the state universities. The official position on the subject was a temporizing one, to the effect that the private firms would, indeed, play a "proper" role.

This role has not yet been explicitly defined. Two moves, however, were made in 1960 which seem designed to keep the importers firmly in their place while also protecting them from being completely eliminated. The first, in June, was the granting of permission to order imported commodities, which had theretofore been restricted to handling by the state enterprises, "on indent" through the state enterprises. The response was reported as substantial, particularly in the importing of textiles.[2] Then, in August 1960, the unrestricted list of commodities was extended slightly, and an allocation of 1 billion rupiah ($5 million, at the special "free list" exchange rate of 200:1) was made available for the purpose of importing those non-essentials that were "free-listed."

These measures were considered by many to represent an admission by the government that the centralist experiment was a failure and that the help of the private entrepreneur was being sought to repair the damage. This interpretation failed to take into account, however, the fact that the private importer was still being kept firmly in his place[3] while the movement to consolidate the government's position in the economy was proceeding. In this connection, Government Regulation No. 19 of April 30, 1960, emerged to provide the details of a framework for the commercial, plantation and industrial sectors within which new planning was to proceed. Rather

strangely, it was left almost without comment for more than six months. A second major structural measure--a program of land reform--came forth in late 1959.

Thirdly, 1960 was also the year in which the new comprehensive development plan was being formulated. The plan, like Regulation No. 19, was largely ignored or scoffed at by informed observers when it appeared in August 1960. In part this was due to the make-up of the National Planning Council and its mandate. It appeared so presumptuous to expect 73 non-professional planners to design a blueprint for a whole society within a single year that the entire enterprise seemed only tragically amusing. Economists, in particular, seemed inclined to scorn the undertaking, since they, as a profession, were not represented on the Council.

Government Regulation No. 19

Government Regulation No. 19 provides for two types of controls over public and private business. The state enterprises, which had been loosely grouped and largely uncontrolled under a Trade Regulation Board and an Industry and Mining Executive Board, are now to be controlled directly by directorships appointed in each case by the appropriate ministry, advised by employee representative groups. At the same time, all state and private enterprises are to be grouped into "Business Type-Groups" (Gabungan Perusahaan Sedjenis). The type-groups are then to be subdivided into specific product group organizations. These groups, it may be noted, are of a type usually associated with the corporate state.

It is significant that in these organizations the private firms will operate as co-members alongside the state enterprises. The leaders of private industry and trade argued unsuccessfully for separate bodies for their enterprises, hoping perhaps for a stronger voice in the making of decisions that would affect them directly. Apparently, however, they are to be relegated to a minority position in most groups. Thus, the device of firm syndication, which had often been proposed as a means of strengthening the role of the private Indonesian entrepreneur, has been so tailored in the new arrangements as to reduce his stature. The immediate economic interests of the politically powerful private businessmen are evidently being protected, but any hope that those of liberal bent might have had that Indonesia would repeat Russia's experience with the Nepmen of the early 1920's must be dimmed by these developments.

Through this vast system of corporate-type groupings, the development of trade, industry, and estate agriculture is to be directed and, it is hoped, largely financed. The government will take 55 per cent of the net earnings of the state enterprises to finance the development fund.

Land Reform

The much larger and more cumbersome peasant-agriculture sector has also come in for a radical reorganization plan. Through a series of laws and regulations, beginning with the basic agrarian law of October 1960, the government hopes to redistribute landholdings in such a way as to diminish inequity and exploitation of the peasantry and to encourage higher production through a wider base of ownership.

The essential decision is that no landholding will be less than two hectares. Family holdings, however, may be as large as 20 hectares, the limit being determined by the number of dependent family members. President Sukarno has stated that land reform is a necessary condition to the development of the Indonesian Socialist society, but the implications of this assertion are not clear. It would appear from the law itself, which, if implemented, would both raise the minimum and reduce the maximum sizes of landholding, that the main objectives are two: (1) to give each landholder sufficient land to provide himself and his dependents with adequate means of livelihood; ard (2) to take advantage of the production incentive of private ownership by broadening the base of ownership. A third objective, that of providing a base for collectivization and rationalization, has been suggested.

Unfortunately, the first objective will be attainable for only a minority. The rural population of Java and Madura was recently estimated by the Department of Labor to have been more than 48 million in 1958,[4] while the arable land on the two islands in that year totaled approximately 8.5 million hectares. If all the arable land on these two islands were divided into the minimal two-hectare plots, only 2.25 million families would hold land. And, assuming the typical Indonesian family to include seven persons (as suggested in the explanation of the landholding law), fewer than 18 million people would be provided for, leaving 30 million landless. Little relief can be hoped for in the near future through more extensive cultivation and transmigration, even if these programs are greatly accelerated.[5] In the past these measures have not been able even to maintain the average size of holding in the face of population growth.

The second stated objective seems to be inconsistent with President Sukarno's wishes with reference to the future of Indonesian agriculture. In his address before the special session of the National Planning Council in January 1960, he insisted that rice production must be "mechanized and collectivized."[6] What the President appears to have in mind is the rather widely discussed notion of developing agricultural production cooperatives, which would pool private holdings. From all indications, however, the first stage of implementation of the land reform is intended only to reduce the degree of fractioning of small landholdings, while breaking up large holdings. To reduce fractioning to the extent

indicated is, however, no minor reorganization. Recently published statistics on landholdings in West Java show that more than 70 per cent of holdings are smaller than one-half hectare.[7]

The Eight-Year Plan

The reorganized commercial, industrial and agricultural system is to be the means of accomplishing ambitious goals, namely, those embodied in the eight-year plan. This plan calls for a rate of investment on the order of 15 per cent of national income per annum. Since the over-all marginal capital-output ratio is assumed by the government to be approximately 3.6:1, this rate of investment is expected to yield a rate of growth of 4.2 per cent per annum in national income.[8] This would produce a per capita growth of something more than 2 per cent per annum, if current estimates of population-growth rate are approximately correct.

It is planned that the nation will concentrate in the earlier years, particularly in 1961 and 1962, on the basic needs of the Indonesian people--food and clothing. By the end of 1962, then, according to plan, Indonesia will attain self-sufficiency in food and textiles, and will thenceforth endeavor to raise the standard of consumption of these items.

The complete program comprises 335 individual development projects, many of which fall into non-economic development categories. Both the number of projects and the volume of investment are divided between economic development and non-economic development undertakings in the proportion 75:25. The broad make-up of the eight-year program is indicated in the table.

An incomplete listing of specific projects, with years of beginning and completion for a few of these, was published in the Djakarta newspapers in early January.[9] This listing suggests that the National Planning Council has specified specific target dates in detail; presumably these will be made available to the general public in the near future.[10]

Within the economic sections of the plan, heaviest emphasis is being given to industrial projects. There are to be 81 of these, involving a total investment of Rp.52,022 million ($1,130 million at the official rate of exchange of 45:1). In this area will fall the most spectacular show-pieces, including a one-million-ton-capacity blast furnace in Kalimantan, and a 100,000-ton-capacity electric-furnace steel mill at Tjibegon in Banten, using Soviet expert and financial assistance. There will also be large expansions of electric-power capacity, both steam and hydroelectric;[11] aluminum reduction is to be undertaken, using the power to be generated by the long-discussed Asahan project; and a $33 million Export-Import Bank loan is to finance a urea-fertilizer plant at Palembang. Many of these projects are either already under construction or

THE INDONESIAN EIGHT-YEAR PLAN (1961-69)

Sectors	Number of Projects	Investment (Rp. millions)
1. Mental and spiritual development, religious institutions, and research	68	20,468
2. Welfare	11	6,188
3. Government and defense	7	33,632
4. Production	102	108,062
5. Distribution and communications (including transportation)	144	60,382
6. Finance	3	11,288
Totals	335	240,020

Sources: Private informant and Bintang Timur, Jan. 2, 1961.

have reached the point of advanced preparation, since they involve substantial capital imports and have therefore been tied to foreign assistance programs. All such programs in progress have been tied into the planning arrangements.

Production of food and clothing is separated from industrial production in the planning council's categories. There are to be seven project areas in textiles and clothing, involving the investment of Rp.28,945 million ($640 million). This is to involve expansion of spinning capacity by more than 10 times, and an attempt to supplant imports of raw cotton with domestic production to a modest extent. There are to be eight project areas in the food production program, involving total investment of Rp.25,120 million ($560 million). Most of these funds will presumably be utilized in land reclamation and improvement: 60,000 hectares of swamp land are to be drained in southern Kalimantan with the aid of another ($22 million) Export-Import Bank loan; more than one million hectares of land are to be rehabilitated or improved by 1969.

By these means, and by the dissemination of improved seed and culture techniques, it is hoped that the present rice deficit can be eliminated and consumption standards improved by 15 per cent. Inasmuch as the deficit in rice production for 1959 was estimated to be nearly 1.5 million tons, and since the nation's population is expected to grow by more than 20 million by the end of the plan period, rice production will have to be increased by nearly two-

thirds. An increase of this magnitude is generally considered to be possible technically; hence the heart of the undertaking will lie in the areas of administration, organization and cultural adaptation. In this connection, a system of rice centrals (Padi Sentra) will serve as distribution channels for improved seed and fertilizer, technical advice and assistance, and credit, and as outlets for produce.

Twenty-five per cent of the total investment of the plan is to go into transportation, communication and improvement of distribution channels. Eighty-two of the 144 projects in this category involve highway extension and improvement. Most prominently mentioned is the 1,100-kilometer Sumatran highway.[12] The plan also provides for a supply of 4,000 trucks and buses per year, with garage and spare-parts facilities; modernization of Djakarta's International airport so that it can more readily handle the large and growing volume of jet transport traffic; modernization of six other airports to accommodate Garuda Airways' new Electra turboprop aircraft; construction of airports to accommodate DC-3 traffic "throughout Indonesia"; automatization of the telephone network; extension and improvement of the radio and telegraph network; and expansion of the merchant fleet to 260,000 deadweight tons.

Financing the Plan

While it is absurd to assert, as was done recently,[13] that "there is scarcely a rupiah in government coffers" to finance the plan, it has been a matter of legitimate concern in Indonesia, and to outside observers as well, that public finance is unprepared to undertake such an ambitious program. This concern has not been diminished by the announcement that Rp.30 billion will be provided for in the budget to finance the development program in 1961. The size of the over-all budget also is frightening, with total expenditures amounting to Rp.86.65 billion and receipts to Rp.66 billion. The volume of expenditures is thus to be on the order of 25 per cent of the national income--a huge proportion by any standards usually applied in underdeveloped countries; and the deficit of Rp.16.65 billion will, if realized, produce a de facto increase in the money supply of more than 35 per cent.[14] The government claims to have stopped inflation in the latter part of 1960, but surely active prosecution of the financial policy outlined above will bring about its resumption with renewed vigor.

For later years, fiscal balance is hoped for through reinvestment of the profits of government enterprises, increased government revenues from a tax base expanded by economic growth, and a series of eight projects involving oil production, fisheries and lumber, which are expected to provide revenues in excess of Rp.100 billion--all of which is to be earmarked for development.

It is stated policy that foreign assistance is to be used as little as possible, and that foreign loans are to be repaid as

rapidly as possible. Nevertheless it is clear that both Soviet and U.S. assistance will play vital roles in the program. The Soviet Union is now committed to a program of $367 million during the next 12 years, and the expanding American program has typically run in excess of $30 million each year. Vital assistance on a smaller scale has come from the Colombo Plan and the United Nations and is beginning to flow from West Germany, East Germany, China, Czechoslovakia and Poland. This aid is concentrated in the most important areas, namely, expert personnel, education, and capital for industrial development. The increasing competition in international assistance is the most promising aspect of the problem of financing the program. But aid of this magnitude cannot assure the program's success, for it is extremely unlikely that foreign sources will supply more than the equivalent of Rp.5 billion per year. Hence, at least five-sixths of the capital must be squeezed from internal sources--which is to say that the rate of saving will have to be at least doubled.

In general, the approach to financing the program is disheartening. In the absence of a thoroughgoing fiscal reform, a plan of this magnitude cannot be financed without adding greatly to already potent inflationary forces; and rapid inflation will make the goals elusive, if not unattainable.

NOTES

1. Particularly by Prime Minister Djuanda Kartawidjaja in his address before the Second Annual National Economic Congress at Lembang, West Java, September 29-October 2, 1958.

2. Business News, Djakarta, September 9, 1960.

3. The 13 "essential" commodities, which normally constitute two-thirds of all imports, by value, still could be imported only by the state enterprises.

4. Reported in Antara Home News, No. 69/A, Djakarta, March 10, 1961, p. 2.

5. Total transmigration planned for the first eight-year stage will remove only 250,000 persons from Java. Java's population now grows by considerably more than one million persons per year.

6. From translation by the Ministry of Information, p. 15.

7. Antara, Djakarta, October 24, 1960.

8. Nota Pendjelasan Pada Amanat Keuangan Presiden (Explanatory Note for the President's Financial Message), published in Business News, Djakarta, February 20, 1961, p. 8A.

9. Bintang Timur, Djakarta, January 2, 3, 4, 7, 9, 10, 11, 1961.

10. The complete plan has been published, but is virtually unavailable, even in Djakarta.

11. The Junior Minister of Public Works, Ir. Dipokusumo, stated more than a year ago that Indonesia would expand its power output by 125 per cent in five years. Pedoman, Djakarta, January 23, 1960.

12. It is perhaps indicative of the sensitive nature of inter-island political relationships that no Javanese highway project is mentioned among the more important undertakings.

13. Time, April 28, 1961, p. 35.

14. The official argument is that the un-freezing of Rp.10 billion withdrawn from circulation in the 1959 monetary purge can be reactivated as capital for the Development Bank without thereby increasing the money supply.

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BANGKOK'S DIM VIEW TO THE EAST

David A. Wilson

SINCE THE DISSOLUTION of French control of Indochina in 1953-54, Thailand's eastern frontier has become a political marsh, rather like what it was during most of the nineteenth century, when the Thai kings of Bangkok were troubled by their relations with the kings, princes and chieftains of the Lao area and by intruders from China and Vietnam.

The present recurrence of troubles became threatening in 1953 when Vietminh forces twice penetrated to the banks of the Mekong River with little difficulty. These adventures prompted the government of Thailand in 1954 to refer the matter to the United Nations Security Council, where its request for the dispatch of UN observers to the border was vetoed by the Soviet Union. At that time the events in Laos, as well as elsewhere in Indochina, revived Thai enthusiasm for a security pact in Southeast Asia and led the government to support formation of the Southeast Asia Treaty Organization (SEATO), of which Bangkok is the seat and Pote Sarasin, a Thai diplomat and former prime minister, is the secretary-general.

The anxious interest of the Thai government in the shifting currents of Lao politics is reinforced by certain fraternal feelings for the Lao people, who constitute the largest and dominant segment in the ethnic melange of the kingdom of Laos, and are in most respects culturally identical with the people of northeastern Thailand. The residents on both sides of the Mekong River form a substantial subgroup of the Buddhist Thai of Thailand, Laos, Burma and China. They speak a distinctive dialect of the Thai language and exhibit many other common cultural traits. In a speech last autumn Field Marshal Sarit Thanarat, Thailand's prime minister, suggested that this communality justified Thailand's special interest in Laos:

> The relationship between the kingdoms of Thailand and Laos has special characteristics that distinguish it from the simple neighborliness which would follow from a long common border. For the people are one nation; they have the same language, religion, customs, and physique so that there is nothing to distinguish which is Thai and which is Lao. Moreover, the people who have their homes near the border between the two countries have family ties and relatives who live on both banks of the Mekong, and they must come and go all the time. Because of this special situation, everything that happens in the kingdom of Laos cannot help but affect Thailand.[1]

This attitude of the Thai government is one of the pieces in the game of pan-Thai politics. The ethnic ties of the Thai people, who are strategically located in central Southeast Asia, have more than once been adduced as a basis for efforts aimed toward political unification. For example, during World War II, the Thai government of Phibun Songkhram made some moves in this direction. The pan-Thai sword has two edges, however, and since the establishment by China in 1953 of the Sip Song Panna Autonomous Tai region in Yunnan, Thailand has publicly expressed fears about possible Free Thai movements being organized there or in North Vietnam. The prospect of a Laos under strong Chinese and Vietnamese influence heightens such fears.

The possibilities for infiltration in the Mekong region are many and varied and the situation is complicated by the presence along the Thai bank of the Mekong of a well-established group of Vietnamese (estimated at 70,000) who are responsive to Vietminh influence. These people, refugees who fled Vietnam in the early years of the conflict with France, have been subject to sporadic but unsuccessful efforts by the Thai government to arrange for their repatriation to Vietnam, either North or South.

Moreover, the northeastern provinces of Thailand have traditionally served as a base for politicians opposing the government during the kingdom's various parliamentary regimes. Such opposition has often espoused leftist ideological programs, and in recent years (1956-58) favored a neutralist foreign policy. The depressed economic conditions of the Northeast, coupled with hostility to Chao Phraya Valley domination of the government, have nurtured a perennial oppositionism which undercuts the government's control of the region.

The present government of Thailand is that of a military junta, called the Revolutionary Group and led by Field Marshal Sarit. It came to power through a coup d'état that first ended the long regime of Field Marshal Phibun Songkhram in 1957 and then abrogated the parliamentary government in October 1958. It was legalized in January 1959 by a provisional constitution which provides for extraordinary executive powers.

The coup was encouraged by disagreement over foreign policy and by persistent economic difficulties. During the last years of the parliamentary regime there had emerged, mainly in the Socialist Front, an articulate group of proponents of neutralism in foreign policy, which proved sufficiently popular both among the political public and in parliament to exceed the rather low tolerance of Thai officials for political strife. At the same time the establishment of diplomatic relations between neighboring Cambodia and the People's Republic of China in mid-1958 apparently brought the military's anxiety to a head and precipitated the coup. During the period of crisis from October 1958 to January 1959, most of the leading proponents of neutralism were jailed or forced to flee as

the government reiterated its commitment to SEATO.

With the exception of these leftists and some of the more prominent followers of Phibun Songkhram, the revolutionary group successfully rallied the leaders of various political factions to undertake a campaign of economic development. The decision to emphasize economic development has so far been adhered to notwithstanding demands for larger military outlays in the face of the difficulties in Laos.

The emergence of a neutralist faction before 1958 surprised observers, both Thai and foreign. Its political potential is difficult to assess because its past cannot be dissociated from other domestic currents. The apogee of neutralism coincided with a broad effort by several otherwise incompatible political elements, ranging from royalists to communists, to dislodge Phibun Songkhram. The success of that effort ruptured the coalition, and the subsequent suppression of neutralists and communists subdued whatever part of the public was concerned with foreign policy. Nevertheless, should the present regime seek to loosen the country's ties to SEATO, public support would not be lacking.

The policy of the Sarit government since Laos became independent, and especially since the Kong Lae coup of September 1960, has been to try to prevent an extension of the influence of the Pathet Lao movement under Prince Suphanouwong. Laos politics must be viewed as a struggle for position among a number of factions that depend on outside powers for support. Because Thailand regards the Pathet Lao movement as an extension of the Vietminh and other communist powers, it has supported the strongest opponents of this group, e.g., Phoui Sananikone, Tiao Somsanith, and Phoumi Nosawan. There seems to be no middle ground. Thailand has firmly rejected the possibility of neutrality for Laos as unfeasible. Field Marshal Sarit explained the thinking of the Thai on this question in an interview on February 2, 1961: "As for Laos being neutral, it would be fine if it were true. But a country that is able to be neutral must be a country that is not weak. It must be economically strong and capable of helping itself, as Switzerland is. As for Laos, it cannot stand on its own feet, so how can it be neutral?"[2] Thus, the Thai government has been sceptical about such Lao figures as Prince Sawanna Phouma and Kong Lae, who have professed to be seeking a middle way for Laos through some sort of coalition government. The Thai attitude is based also on an assumption of the total incompatibility of the communist and non-communist factions in Laos.

Thailand has been ambivalent toward the question of intervention in the Laos affair. In the face of persistent accusations from Lao, Vietminh and Chinese sources that Thailand provided facilities and support for the Phuomi Nosawan group, both before and after the recapture of Vientiane and the establishment of the Boon Oum regime in December 1960, Marshal Sarit's government has as consist-

ently denied any interest in unilateral intervention. On its own part, the Thai government has called for the cessation of intervention by communist powers. But within SEATO Thailand has expressed deep concern about inaction. At the November 1960 meeting of SEATO military advisers, General Thanom Kittikhachon, Thailand's Minister of Defense, said: "If the events in the Kingdom of Laos should continue to spread, the military strength of Thailand is prepared to act in accordance with the obligations and agreements of the Southeast Asia Treaty Organization immediately and to the full extent of its capabilities; and it is hoped that the other allies will act in accordance with their obligations and agreements in the same way."[3] Thailand also advocated strengthening the SEATO Treaty, in such a way as to provide for intervention in a situation such as that in Laos--that is, even without a request from a government.[4] When the SEATO Ministers met in Bangkok in March 1961, Thailand together with the Philippines and the United States advocated a strong threat of SEATO intervention in Laos.[5]

In the short run the foremost policy difficulty facing the Thai government would seem to be how to assess SEATO. Thailand joined and has supported the organization precisely because of the Laos situation. It sought and thought it had acquired allies in the defense of its soft eastern frontier. Now it appears to have too many allies to accomplish anything decisive, and its enthusiasm for the organization may wane. As the Thai military adviser told the SEATO conference in November 1960, "The Thai are watching SEATO closely to see what appearance it will present in the near future, and they believe the communists are watching with great interest as well."[6] Whether the Rusk formula in the March SEATO communique, which presumably permits unilateral action by SEATO members under the SEATO flag, will satisfy Thai expectations remains to be seen.[7]

In the meantime, on February 13, 1961, Thailand, the Philippines and Malaya announced that they had entered into an agreement to explore the possibilities of a new organization of Southeast Asian states for economic and cultural cooperation. The meeting at which this idea was discussed grew out of Philippine, Thai, and perhaps Malayan discontent with the reluctance of the European members of SEATO to act on the Laos issue.[8] The sentiment behind this meeting and the potential implicit in the notion of an organization of Southeast Asian states give some indication of what may lie in store for SEATO.

In the long run Thailand's susceptibility to hostile penetration as a result of the collapse of her present candidates in Laos must not be discounted. The flexible border with Laos and the potentialities of organized disaffection in Thailand's northeastern provinces would make the existence of a Laos government hostile to Thailand and friendly to the Vietminh regime a genuine peril.

NOTES

1. Saphada San, Bangkok, October 1, 1960.

2. Ibid., February 11, 1961.

3. Ibid., November 26, 1960.

4. Darrell Berrigan, "Thailand Is on the Spot," The Reporter, January 19, 1961.

5. New York Times, March 28, 1961.

6. Saphada San, November 26, 1960.

7. New York Times, March 30, 1961; Stanley Karnow, "Dean Rusk's Debut," The Reporter, April 27, 1961.

8. Saphada San, February 25, 1961.

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THE DEMOCRATIZATION OF FAMILY RELATIONS IN JAPANESE URBAN SOCIETY

Ezra F. Vogel

THE USUAL WESTERN view of Japanese family relations goes something like this: in former times the Japanese husband had absolute power over his wife, but now wives are rebelling against their husbands to attain greater equality. The parent was formerly all powerful in relation to the child, but children are now rebelling to attain greater freedom from their parents. On the basis of recent social science investigations, however, it is possible to show that this usual view is a seriously distorted one.

The degree of power and submission existing in the past has been seriously overestimated because of failure to distinguish between public and private behavior, to distinguish respect from power, to distinguish ideal from actual behavior, and because of the failure to understand the Japanese extended family system.

For example, while in public the wife may have treated her husband as her lord and master, in private she may have been much more direct and outspoken. While she may have feared her husband and quickly complied with whatever demands he might make, the husband, in fact, usually gave the wife almost complete autonomy in managing household affairs, including finances. In household management the wife's position was in some ways analogous to the shogun's in relation to the Emperor. While officially deferring to her husband, she exercised power behind the throne because the husband knew almost nothing about household affairs.

Furthermore, even the Confucian patterns of obedience that did exist in fact were not fully internalized in all social classes. The fact that the prescriptions governing obedience to parents and to husbands were so frequently repeated suggests that the authorities considered them to be necessary and that these ideal patterns of behavior were not completely put into practice by the common people.

In the case of the young bride marrying into her husband's family, the person who actually directed her activities was not primarily the husband but his mother. The husband typically knew very little about household activities, and the bride typically knew little about anything else. She and her mother-in-law shared the same sphere of womanly activities, and it was the husband's mother or perhaps even the husband's sister who supervised her. While in a showdown the husband would usually side with his mother, he typi-

cally knew little about the mundane activities of the women, and often his function seemed to be to cushion rather than to increase the harshness of the authority of his mother or sister toward his wife.

So much for the conditions of previous times. On the basis of case studies conducted by the author and his wife in the Tokyo area from 1958 to 1960, there appears to be very little rebellion of children against parents or of wives against husbands. While various social surveys suggest that younger age groups have more progressive views than their elders, the difference is not very great,[1] and, in a given family, children show considerable understanding and sympathy for their parents' views, are not rebelling, and are kept in check not primarily by parental sanction power but by their own internalized attitudes about how parents should be treated and their own fears of making independent decisions. But survey research studies show virtually no major differences in attitudes between men and women regarding what rights and freedoms women should be allowed. In some cases men are slightly more willing to give women the freedom to carry on outside activities than the women are to take this freedom.[2]

Yet while there was never absolute power and submission in the Japanese family, there is no doubt that by Western standards the Japanese child has relatively little freedom in relation to his parents, and the Japanese wife is relatively subservient to her husband.

Parent-Child Relations

Let us examine first the contemporary parent-child relationships. On the basis of our case studies, it appears that children are continually aware of their parents' feelings and attitudes, are very close to their parents, spend little time away from home even in their late teens, participate in very few extracurricular activities in high school, spend relatively little time at friends' houses during the high-school age, and make most major decisions only in very close consultation with their parents.

As an example of the freedom of decision-making on the part of the children, we may take the decision regarding marriage. More than one-half of current urban marriages are "love marriages," which the family had no important share in arranging. In various surveys in the past 10 years, about 40 to 50 per cent of urban residents believed that the child should select or have the major share in selecting his spouse, and a large percentage of the remainder believed that the decision should be made jointly by the child and his parents.[3]

But even if the child makes the decision himself, he normally consults with his parents to obtain their approval. The obverse is also true. The author interviewed a series of 15 informal marriage

arrangers who had concluded several hundred marriages in Tokyo in the past few years.[4] In all cases, even if the mothers of the prospective couple carry on the major share of the negotiations with the marriage arranger, the child is consulted very early in the negotiations and his (or her) opinion is given very serious attention. While it is true that attempts will be made to persuade a child who disagrees with his parents, if at any point the child decides to veto the arrangements, his veto is decisive. Yet there are almost no cases where the child exercises his veto power. This appears to be true, not only because of the informal pressure that is placed on the child, but also because the child's wishes are considered at all stages of the negotiations. For example, if the child is not interested in pursuing a given marriage possibility, negotiations will be terminated early, before the need for a veto.

Just how much freedom the child has depends on such factors as his age, desirability, and the like. If a child has many opportunities for meeting a potentially suitable spouse apart from the family, then he is much more likely to give greater weight to his own opinions than to those of his parents. For example, a girl of 20 who still has opportunities for a number of social contacts, who has qualifications considered desirable, and who has not yet refused any offers, may exercise a great deal of power in relation to her mother and the marriage arranger. If, on the other hand, a girl is 24 or 25 and not notably attractive as a potential spouse, she is much more likely to accept the opportunities offered by her elders. If she has already refused several reasonable offers, she may have even less freedom to make her own decision, because if she refuses the wishes of others, these may no longer be willing to exert themselves in finding her reasonable offers. Perhaps the main restriction on the freedom of the young people in making decisions regarding marriage is the extent of their opportunity to meet potentially suitable members of the opposite sex through channels other than their family and other go-betweens. But, as a recent study by De Vos shows, the intensity of the parent-child tie often places psychological limits on the freedom of the child even when there may be freedom in the objective situation.[5]

As for determining the child's place of work, the opportunity of the child to make decisions apart from the parents is increasing rapidly. With the growth of large-scale industry, large corporations, and governmental bureaucracy, it is increasingly possible for the child to obtain work through universalistic examinations rather than through family introductions. It is true that the family may exert considerable influence by providing tutors and other facilities necessary for studying, and in some cases even by providing connections and finances directly in order to obtain admission into schools, but the really crucial factor, in the typical case, is the result of the examination.

In the urban areas, inheritance and parental intervention in arranging marriage and employment typically do not directly play a

crucial role in determining the social position of the children. While it is true that the son's job placement may be made by friends, in the typical case these are no longer friends of the family but friends available to the son as the result of his affiliation with a school or university which he entered on the basis of examinations.

The extent of parental authority within the family in making decisions regarding the child's marriage and job placement is closely related to the importance of the parent's role in the actual arrangements. If the child uses family connections to obtain employment or to find his spouse, then parental authority remains crucial. To the extent that the child has opportunities for meeting and selecting his marital partner apart from his family, and to the extent that his employment is determined by the examination system and contacts made as a result, the child's independence increases.

But while the child's share in these major decisions is increasing, he typically remains close to his parent throughout his life and is very sensitive to his parents' wishes. Even after marriage, the couple is likely at some stage of the life cycle to live with or near the parents of one of the spouses. If the son continues in the same business as his father or relies heavily on the father's financing immediately after marriage, the young couple may live with the parents for the first years after marriage until the young couple achieves some independence. Even in the urban areas this appears to be more likely in the case of the first son. Also in old age, if one of the parents is dead, the surviving parent is likely in more than 80 per cent of the cases to live with one of the children.[6] Inasmuch as the Japanese woman's life expectancy is five years greater than the man's, and the man is usually two to five years older at marriage, in the typical case a woman will live as a widow for about five to 10 years, and during this time will live at the home of one of her children. Close physical proximity serves in these cases to reinforce the sensitivity of the children to the wishes of parents.

Social security and old-age benefits are generally inadequate in Japan, so that financially it is typically necessary for an elderly widow or widower to rely on the children for support.[7] In addition, there are no other social ties comparable in intensity to the relationships with the child, so that an elderly parent feels isolated and rejected unless he is living with one of his children. The parent has typically sacrificed in order to provide an adequate education for the child, and has inadequate savings for old age. The child, feeling that his parent has sacrificed for him, is usually willing to provide necessary financial help and a place to stay for the parent during his old age. Traditionally, it was the eldest son with whom the elderly lived, but now there is increasing uncertainty about which child the parent should live with. Surveys show that parents are more likely to prefer living with the eldest

son, but the children are likely to say that cases depend on circumstances.[8] Because the institutionalized pattern governing whom the parent should live with is now breaking down, there is usually some legitimate basis for the child, and even more so for the son-in-law or daughter-in-law to feel that some other child should be helping more with the burden. As a result there is considerable tension between the elderly parent and a young couple over how welcome and appreciated the parent is, even though by Western standards the young couple is very loyal. Perhaps it is to avoid such potential rejection that parents usually prefer to live with their first son.

If a younger couple and an elderly couple are living together, the elderly couple is likely to retain a great deal of authority. One survey, for example, shows that even if the son is the chief breadwinner, the father is likely to be head of the household.[9] Thus, the authority patterns between father and son have a great deal of continuity and do not shift with changes in economic power. The traditional rural pattern of retirement of the father from family headship apparently does not carry over into the urban situation, perhaps because in the city the family head does not have the many responsibilities which require younger, more active men in rural areas.

Husband and Wife Relations

The urban husband's and wife's activities remain clearly segregated, and the husband has virtually no household duties. In a very recent survey of a modern middle-class Tokyo apartment area, for example, fewer than 1 per cent of the husbands participated in cleaning, shopping, cooking or washing. The only work that was done by as many as 8 per cent of the fathers was putting up of the bedding and caring for the children.[10] Thus, within the household, the role division between husband and wife has undergone relatively little change, even since World War II. Also, the evidence from contemporary kinship terminology makes it clear that there remains an asymmetrical relationship between husband and wife, with the husband having a position of higher prestige.[11]

The recent changes that have occurred in the wife's activities stem largely from the general rise in the standard of living, her increased leisure time, and her greater independence from in-laws. The fact that she can do her work in less time than previously gives her greater freedom for activities of her choice: visiting, the housewifely arts, watching TV, playing with children, and the like. Still, she is typically not employed outside the home,[12] and participates in virtually no voluntary associations except for P.T.A. and other school organizations. The increase in income gives her increasing freedom in selecting goods for consumption so that purchasing, which remains almost exclusively the wife's function, becomes less automatic and more pleasurable. The increase in her power in relation to her mother-in-law goes a long way toward

decreasing serious and often arbitrary constraints on the housewife.

The increasing autonomy of the wife and child does not represent an open revolt against paternal authority. Fathers are generally as willing to relinquish authority as their wife and child are willing to assume it. All Japanese families may have some tensions resulting from the increase in autonomy of the wife and child, and some families may have very serious problems; but compared to those in other societies which have undergone very rapid transitions, the disruptions in most contemporary Japanese families are relatively mild.

NOTES

1. For example, see Yoshiharu Scott Matsumoto, Contemporary Japan: The Individual and the Group, Philadelphia, 1960. Also Kiyo Tamura, "Sengo ni okeru Kazoku Kenkyuu no Jisshoo-teki Haikei: Oya-ko Kankei o Chuushin to shite" (Factual Background of the Postwar Family: With Special Reference to the Parent-Child Relationship), Gakugei Daigaku Kenkyuu Hookoku, 1960, pp. 19-28.

2. In one study, for example, 25% of the women opposed co-education, but only 18% of the men opposed it. In another study, 43% of the women were opposed, compared to only 27% of the men. Matsumoto, op. cit., pp. 29 f. If Westernization creates dissatisfaction on the part of the wife with her role, one might expect more educated women to be more dissatisfied with the way their husbands treat them, but such is not the case. Arata Yoda, Kazoku no Shinri (The Psychology of Family Relations), Tokyo, 1957.

3. Matsumoto, op. cit. Also Takashi Koyama, ed., Gendai Kazoku no Kenkyuu (An Investigation of the Contemporary [Japanese] Family), Tokyo, 1960.

4. A more detailed account of this study of the marriage arrangers will appear in Human Organization.

5. George De Vos, "The Relation of Guilt to Achievement and Arranged Marriage among the Japanese," Psychiatry, Vol. 23, 1960, pp. 287-301.

6. Eiichi Isomura, Takeyoshi Kawashima, and Takashi Koyama, eds., Gendai Kazoku Kooza, Vol. VI, Kazoku no Fuyoo (The Maintenance of Needy Families), Iwanami Shoboo, 1956, p. 278. Even in the Tokyo apartment house, only 8% felt it unnecessary to look after parents if the parents were in need. Koyama, op. cit., p. 113.

7. For a more detailed account of the extent of social security available, see Kazoku no Fuyoo, passim.

8. In case of need, according to one Tokyo study, 42.2% of mothers said the first son should have the responsibility, 33.3% said all the children. The response of high-school-age children of these mothers to the same question was 17.3% in favor of the first son, 48.3% in favor of all the children. Kazoku no Fuyoo, cit., p. 39. Professor Koyama's study in the Tokyo apartment-house project shows that 31.9% of mothers and 23.1% of fathers expected to live later with their first sons, nearly all the rest being unsure what they would do.

9. Kazokuo no Fuyoo, cit., p. 258.

10. Koyama, op. cit., pp. 140, 145.

11. Ibid., p. 149.

12. According to 1955 census data, of 17,184,300 married women in Japan 15 years of age or over, only 1,066,200 women were employed. While this figure will reflect the women going out to work, it will not include those who work at home. See Fujin Kankei Shiryoo Shuuhoo (Statistical Materials Relating to Japanese Women), No. 11, Tokyo, Women's and Minor's Bureau, Ministry of Labor, Japanese Government, 1959, pp. 11, 34.

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THE MALAYAN ECONOMY AND STEREO-REGULAR RUBBERS

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DURING THE PAST HALF-CENTURY the Malayan economy, based largely on an intense economic specialization in the production of natural rubber and tin, has achieved an average per capita income level second to none in Southeast Asia. In this period Malaya has been a leading supplier of both commodities to the world market. At present Malaya is the largest producer of natural rubber, accounting for 35 per cent of the world total; its production of an equal percentage of the world's output of tin ranks it as the leading producer of this metal as well.

While the tin industry is important in Malaya by any absolute measurement, rubber occupies the commanding place in the nation's economy. At the present time it accounts for almost a third of the Federation's Gross National Product; services and processing industries ancillary to rubber account for another one-sixth. Roughly speaking, therefore, almost half of Malaya's economy is strictly dependent upon, or functionally related to, the natural rubber industry. By comparison, tin directly and indirectly accounts for a Gross National Product contribution of somewhat less than 10 per cent.

In the export sector of the Malayan economy, rubber plays an even more vital role. Domestic exports of rubber have averaged about 60 per cent of the total of all domestic exports in the last decade, and in periods of high rubber prices such as 1959 and 1960 domestic rubber exports accounted for close to 70 per cent of total domestic export earnings.[1]

While economic specialization in Malaya has brought prosperity, it has done so on a very narrow base that is highly susceptible to forces over which Malayans have little control. Dependence on the specialized economic function of producing rubber from the hevea brasiliensis tree has meant that the nation's economy--and its viability--has been responsive to the ebbs and flows of demand for natural rubber in the world rubber markets as well as to technological developments in the rubber or elastomer industry as a whole. By far the most significant development since World War II has been technological advances in the synthetic elastomer field.

AFTER WORLD WAR II, the rapid emergence of "synthetic rubbers"[2] into world trade channels poised an obvious threat to the future of the Malayan natural rubber industry and thus to the Malayan

economy. However, the initial fears generated by the rapid development of a synthetic elastomer industry faded rapidly in the decade after the war, for a number of reasons.

One reason was the rapid increase in demand for elastomers in general as a result of the need for postwar rehabilitation of civilian rolling stock, the expansion of road systems in many parts of the world, and the spectacular development of the automobile industry in Europe and elsewhere. The synthetic rubber industry, despite its phenomenal growth, did not destroy the market for natural rubber, world consumption of which reached its highest level in history after the war. A second reason, directly related to the first, was the fact that available synthetic rubbers could not replace natural rubber in all uses. For example, heavy-duty truck tires and certain parts of all automobile tires required natural rubber for optimum durability.

The prosperity of the natural rubber industry in general and of the Malayan natural rubber industry in particular since the end of World War II is somewhat misleading if viewed out of context. Total world rubber consumption--i.e., including both natural and synthetic elastomer--was approximately double the prewar figure by 1959. But the synthetics, of no commercial consequence before the war, have steadily increased their share of the total until they now account for approximately half of all rubber consumed.

In such a key market as the United States, natural rubber has steadily lost ground. This country, formerly the main buyer of natural rubber on the world market and wholly dependent on imports, has steadily increased its use of synthetics. Whereas in 1940 synthetics were inconsequential in United States industry, in 1950 synthetics held 42 per cent of the market, and in 1960 accounted for approximately 70 per cent of all "new" rubber consumed. Natural rubber has lost ground in a number of other countries as well, although there the switch to synthetics has not been so marked. In the two years 1959-60, the share of natural rubber in the total of new rubber consumed in the United Kingdom dropped from 70 to 60 per cent; in Canada it fell from 44 to 39 per cent; and in West Germany from 65 to 58 per cent.

Despite its decreasing share of the total elastomer market, natural rubber has until recently cost more than general-purpose synthetic rubber, mainly because of a specific physical quality which synthetics could not duplicate: high resilience or elasticity. When deformed, a piece of natural rubber tends to recover its original shape instead of dissipating the energy imparted to it in the form of heat. In the case of such products as heavy-duty truck tires and parts of all automobile tires, product life is closely related to these technical qualities of resilience. Natural rubber's technical superiority in this respect, therefore, provided it with a critical advantage over any synthetic.

After the war, polymer chemists discovered both the chemical composition of the basic rubber (isoprene) molecule and how to synthesize it, but they were unable to produce a synthetic rubber polymer with the desirable qualities of natural rubber. They found that the latter's superior resilience resulted not from the characteristics of the individual molecule but from the structuring or positioning of molecules within the natural rubber polymer chain in a "regular" linkage pattern. Armed with this knowledge, they sought to duplicate the "stereo-regular" positioning of monomer molecules when these are polymerized, or chemically "chained together" to form a polymer.

In 1958 and 1959, after years of failure, methods were discovered for polymerizing various "synthetic" elastomer "stereo-regular" chains. The implications of this technical breakthrough are far-reaching: synthetic products can now duplicate the hitherto unique characteristics of natural rubber.

The emergence of stereo-regulars has given rise to developments in chemical engineering that reduce stereo-regular production costs to levels competitive with the natural rubber product at this time. Commercial manufacture of stereo-regulars began in Europe and the United States in 1960, and production capacity will probably expand rapidly as technology improves and the product gains wider acceptance in industry.

IN MALAYA itself, the emergence of the stereo-regulars has aroused interest but little alarm. Most Malayan officials believe that the Federation's rubber industry is still in a relatively strong competitive position. They note that one result of Malaya's replanting program, which has been more successful than that of any other major producing area, should be substantially increased yields and lower production costs. There is also the expectation that production in Indonesia, formerly the largest producer of natural rubber, will suffer from a failure to replant and from the deterioration of yields from old seed stock that is now in production. No other area appears likely to offer Malaya substantial competition in natural rubber production.

While short-term prospects are bright, a problem is looming for both the rubber industry and the economy in general. For, although production costs for natural rubber and for its direct synthetic counterpart are probably not far apart now, those for the synthetic product have a better prospect of moving lower, since much of the cost-cutting potential of the introduction of high-yield clonal stock has already been realized in Malaya.

If competition between the natural and the synthetic product is henceforth to be based largely on cost, natural rubber will almost certainly play a decreasing role in supporting the prosperity of Malaya. Since 1950, with the exception of the two years 1953-

54, rubber prices have permitted high profit margins and tax-extraction levels. In 1960, the average price of rubber exported topped M$1.00 per pound, substantially more than the prices at which natural rubber's direct synthetic counterparts may be expected to sell. Earnings from the natural rubber industry, therefore, are likely to fall. At present, moreover, rubber export taxes and direct taxes on income earned in the rubber industry account for at least 40 per cent of total government revenues, and since most of these taxes are progressive, any fall in prices will cause a disproportionately large decrease in tax collections.

The importance of a fall in natural rubber prices at this time, shortly after the inception of the new Second Five-Year Plan of the Federation of Malaya, is obviously great. The Plan has been drawn up in the expectation that natural rubber will maintain a price level of 80 cents per pound for the next five years. A drop of 15 cents in the average price would not only affect export earning capacity, but also cut government revenues by roughly 30 per cent.

The need for Malaya to broaden its economic base is accordingly clear. For, despite relatively high per capita incomes, low population densities and few of the acute chronic unemployment difficulties found in most other areas of Southeast Asia, the country's fundamental problem of diversification must be solved before it can feel secure in its present prosperity.

NOTES

1. Substantial re-exports of both tin and rubber are included in Malaya's total export picture. The primary sources of these re-exports for both commodities are Indonesia and Thailand.

2. The term "synthetic" is a misnomer, as it encompasses a wide range of elastomers with differences in both chemical composition and physical properties. In common practice, these elastomers have usually been divided into (1) specialty rubbers, which serve in limited applications; and (2) general-purpose rubbers such as SBR or GRS (a co-polymerized butadiene styrene product), which are largely interchangeable with the natural rubber product of the hevea brasiliensis tree.

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GENERALIZED DEMOGRAPHIC MODELS AND PROJECTIONS OF THE POPULATION OF CHINA

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A POPULATION PROJECTION is a calculation showing the future changes in a given population that correspond to a stated hypothesis concerning the future trend of the rate of growth or its components: fertility, mortality, and migration. For projections intended to serve as predictions, the hypotheses are almost always derived from the study of past experience, but not necessarily only the experience of the same population for which the projection is made. One may take as a model the experience of another population that has been subjected in the past to changes in conditions relating to population growth of a sort which the given population is expected to undergo in the future. Generalized models, intended to represent a synthesis of the experience of many populations, may also be used as aids to projections. The present article deals primarily with the use of models of the latter type.

Models are especially helpful, if suitable ones can be found, for making projections in such circumstances as those of China at present. It is difficult to find a satisfactory basis for expectations concerning future trends of fertility, mortality, or growth of the population by studying China's own demographic history. There is a double difficulty here, which is involved also, in varying degrees, in the problem of population projections for many other "underdeveloped" countries.

In the first place, there is a lack of adequate data on the past trends of China's population, and even on the present demographic situation. There are several reasons for suspecting that the 1953 census registration statistics are not accurate and that the official statistics of births and deaths for recent years are subject to substantial errors.[1] Moreover, the published results of the census and the vital statistics are given in too little detail to permit a thorough evaluation and analysis. For the 1940's and earlier periods, such data on population and vital statistics as are available are still more questionable and fragmentary.

Second, even if China's present and past demography were better documented, the study of this experience would not be enough to lay a firm basis for long-range projections, in view of the profound transformation which Chinese society has recently begun to undergo. This transformation makes a discontinuity between the past and the future, in the factors that influence the population trend. The discontinuity of factors affecting mortality is already

evident; in spite of the inadequacy of the data, it is clear that the Chinese mortality rates have dropped sharply since the war, and that the rate of growth of the population has accelerated considerably as a result. Previous Chinese experience has little relevance to the question of the future development of this new mortality trend, or to the possible eventual repercussions of the new political, economic and social movements upon the trend of fertility. The experience of other countries in which more or less similar developments have occurred previously may be more relevant, in spite of the reservations that must be attached to any such analogies when differences in culture, political organization, and the like are taken into account.

The "Demographic Transition" Model

A generalized model that has played a great part in speculations about the prospects for population growth in underdeveloped countries is the model of the "demographic transition." This is a generalization of the changes in mortality and fertility which are supposed to go with industrialization and associated economic and social developments, including a rising level of income, progressive urbanization, extension of popular education, and changing roles of the individual, the family and other social institutions.[2] Although the model has been formulated in several different ways, its main features are represented by four hypothetical stages of demographic evolution through which societies are presumed, as a rule, to pass successively as they undergo industrialization and the related changes:

(1) Initially, the population is assumed to have high, nearly constant fertility rates and high, fluctuating mortality rates. Fertility and mortality are assumed to be approximately balanced on the average of many years, so that the population increases only slowly, if at all, in the long run. (2) At an early stage of industrialization and associated economic and social developments, the mortality rates are assumed to embark on a declining trend. As fertility rates at this stage are assumed to be unaffected, the population grows at an accelerating rate. (3) With continuing industrialization and related economic and social changes, a point is assumed to be reached at which fertility rates also begin to fall, tending to moderate the growth of population. (4) Eventually both fertility and mortality are assumed to be stabilized at relatively low levels with no wide gap between them, so that the population again increases only at a moderate rate, if at all.

As a generalization of past experience in various parts of the world, this model cannot be accepted without important reservations. In China's case, for example, a very substantial increase of population appears to have occurred during the eighteenth and early nineteenth centuries without any industrialization or other important economic and social developments of the types assumed in the

model. On the whole, the findings of recent research in population history imply that the connections of population growth with industrialization and associated processes have not been nearly so close or so uniform in the past as the model implies.

As a framework for population projections for countries like China, the transition model has other important limitations. Especially for the projection of future mortality trends in such countries, it has little usefulness in the present circumstances. The impressive reductions of mortality rates that are now being won almost everywhere in the less developed regions of the world are only loosely linked with industrialization, rising income, extension of popular education, and so forth. A more important factor now is the effort applied to environmental sanitation, insect control, immunization, and other health services.

In making projections of fertility trends in economically underdeveloped or semi-developed countries where fertility at present is high, as it is in China, allowances need to be made for the possibility that fertility might either increase to some extent or decrease considerably during the early stages of industrialization, instead of remaining constant as the transition model assumes.

Pre-industrial peoples restrain their reproduction in various ways and degrees, by delay of marriage, restrictions on sexual relations within marriage, practice of induced abortion, etc., and the motivation of this restraint may be partly economic. When economic conditions improve and when the traditional rules of behavior and modes of thought give way under the pressures of social and economic change, restraints may be relaxed and fertility may rise. Fertility may also be increased by improving health conditions and falling death rates, as they tend to diminish the incidence of physiological sterility and of widowhood.

On the other hand, efforts to promote birth control in some of the present underdeveloped countries may bring about a substantial decrease of their birth rates before they achieve a very high level of economic development. There is not yet enough experience to support definite expectations concerning the effectiveness of such efforts. New contraceptive inventions may help to popularize birth control in countries where it is not yet extensively practiced.

Eventually, it is a reasonable expectation that continuing economic and social development of underdeveloped countries will lead to declining fertility, as postulated in the third and fourth stages of the "demographic transition" model. The questions that arise in this connection, when a population projection is to be made for a given country, relate to the future date at which the fertility decline should be assumed to begin and the speed at which it should be assumed to proceed. The model itself contains no clue to the answers to these questions, and no clear answers are to be found in the experience of the countries that have gone through

these stages of the transition. There is little uniformity in this experience with regard to the duration of successive stages, the levels of economic and social development at which fertility began to decline decisively, or the levels of fertility in the final stage.[3] The experience of particular countries having a similar cultural background may be more relevant. The basis for predictions may also be improved by extending research on differences of fertility, and on differences of behavior and attitudes in matters relating to fertility, among social and economic groups of the population in high-fertility countries. Results of experiments with the promotion of birth control are also relevant to the question.

The United Nations Model

The United Nations Secretariat has devised a generalized model of fertility and mortality changes for the purpose of a series of population projections for the world as a whole, its major regions, and individual countries.[4] This model has as its basis a generalization of the fertility and mortality trends observed during modern times in various parts of the world, but, unlike the "demographic transition" model, it is not represented as a formulation of relations between these trends and the processes of economic and social change. Several different hypotheses are adopted with respect to the future trends in each region, all devised so as to be consistent with the generalization of past experience and also plausible for the future, in the authors' eyes.

The features of this model that are relevant to projections for populations with high and not yet declining fertility can be summarized briefly:

1. Mortality is measured by the expectation of life at birth for both sexes. Wherever the expectation has risen above 30 years, it is assumed to go on rising in the future at the rate of one-half year gain in expectation per year of elapsed time until it reaches the level of 68-1/2 years. Thus the expectation of life rises from 31 to 68-1/2 years during 75 years' time. This rate of gain was considered to be normal at the time (four years ago) when the model was being constructed; at present, there might be justification for taking a somewhat more rapid rate of gain to be normal.

2. Fertility is measured by the gross reproduction rate, which is assumed to stand at present at the level of 3 (three daughters per mother) in the high-fertility regions. For its future trend, three alternative hypotheses are adopted: (a) a decrease beginning forthwith and proceeding at such a pace as would cut the rate in half within 50 years; (b) a decrease at the same pace, but delayed for 25 years in its beginning; and (c) the same decrease, delayed in its beginning for 50 years.

For the purpose of the projections, the world was divided into 17 regions, one of which was "East Asia (without Japan)," that is, primarily mainland China. Let us consider the application of the model to this case.

On the basis of information available at the time when the projections were made, this region was assigned to a category, "Mortality very high but declining, hitherto constant fertility," characterized by expectation of life in the neighborhood of 30 years and gross reproduction rate about 3, as of 1950. On this basis, the projected increases of the region's population during the period 1950-75 were in the range of 46 to 60 per cent, depending on the assumptions for the future trend of fertility.

If the authors of this projection had been in possession of the estimates of China's birth and death rates in the early 1950's, which have since become available, they would have assigned this region (along with Central America and Tropical South America) to another category, "Mortality moderate and declining, hitherto constant fertility," for which the assumed expectation of life in 1950 was 42-1/2 instead of 30 years, with the same gross reproduction rate of 3. The projected expectation of life for 1975 would then have been 55 years, and the projected increase of population during 1950-75 would have been 95 per cent with constant fertility, or 78 per cent with declining fertility. For the reason already mentioned, the range of plausible hypotheses might well have been widened to allow for the possibility of some increase of fertility. Also, as already mentioned, the possibility of gains in expectation of life at a faster rate than one-half year annually might have been considered. These possibilities, of course, would have raised the upper limit of the projected range of population figures for 1975. On the whole, the projections obtained from the model could be regarded as conservative.

It may be mentioned that the United Nations has recently published another projection, relating specifically to the population of mainland China, which does not involve the use of a generalized model.[5] The results indicate an increase of the population from 583 million in 1953 to a range of 800 to 1,300 million by 1983, depending on various assumptions concerning the trend of mortality and the birth rate.

Conclusions

To summarize the matter of China's future population, it seems difficult to frame a scheme of reasonable hypotheses by which it would not increase at least into the range of 800 to 900 million during the next two decades, save only the dire possibility of world war. On the other hand, it appears to be entirely within the realm of possibility that China will have one and a third billions by the early 1980's. In present circumstances, it is difficult to narrow

down this wide range of possibilities.

To sum up what has been said about generalized models, the "demographic transition" model needs some alterations to make it a valid historical generalization. This model has only limited relevance to practical problems of population projections for underdeveloped countries, as the indications that it furnishes concerning likely future trends of fertility are not sufficiently precise. Generalized models constructed expressly as tools for projections are more useful, although they must be used cautiously and the results must be treated with reserve.

NOTES

1. Irene B. Taeuber, "Questions on Population Growth in China," and John S. Aird, "The Present and Prospective Population of Mainland China," in Milbank Memorial Fund, Population Trends in Eastern Europe, the USSR and Mainland China, New York, 1960.

2. For presentations of this model and its empirical and theoretical bases, see Frank W. Notestein, "Population--The Long View," in Food for the World, edited by Theodore W. Schultz, Chicago, 1945; and Kingsley Davis, "The World Demographic Transition," Annals of the American Academy of Political and Social Science, Vol. 237, 1945. For references to antecedent works and other literature relating to "stages" of demographic evolution, see United Nations, The Determinants and Consequences of Population Trends, 1952, p. 44.

3. On the correlations between fertility and mortality trends on the one hand, and on indices of economic and social development on the other hand, see Paul K. Hatt and others, "Types of Population Balance," and Leighton Van Nort and B. P. Karon, "Demographic Transition Re-examined," both in American Sociological Review, Vol. XX, 1955.

4. United Nations, The Future Growth of World Population, 1958.

5. United Nations, The Population of Asia and the Far East, 1950-1980, 1959, Part III.

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STATE POLITICS IN INDIA: REPORT ON A SEMINAR

Myron Weiner

THE IMPORTANCE OF state politics in a federal system is so evident that the case hardly needs to be argued; and the importance of the study of regional politics as part of the study of political development in underdeveloped areas is so apparent that here, too, the case is clear. Nonetheless, studies of politics in India have focused largely on national affairs or on the village. The intermediate levels which impinge so markedly on what takes place both in the villages and in New Delhi cry out for research and theoretical systematization. In a preliminary effort to fill this gap in Indian studies, a group of younger scholars assembled in Chicago in April of this year to present papers and to discuss Indian state politics. Papers were presented on six states: Rajasthan (Susanne Rudolph, Harvard), Madras (Lloyd Rudolph, Harvard), Punjab (Baldev Raj Nayar, Western College for Women), Bihar (Walter Hauser, University of Virginia), Andhra (Selig Harrison, the New Republic), and West Bengal (Myron Weiner, University of Chicago).[1]

A pervasive theme of all the papers and of the lively discussions that followed was the extent to which the changing position of social classes and the changing patterns of social relationships is a critical factor in the rapid pace of political change in each of the states. Precisely what these changes are and what political consequences have flowed from them was the central theme of almost all the discussions.

It was generally agreed that factors other than economic change are conditioning political developments in each of the states. Nayar noted that Hindu-Sikh conflicts in the Punjab have been occurring at a time when the state's agricultural economy is prospering; in Andhra, Selig Harrison reported, the Kamma-Reddi conflict, which he has described in his earlier writings, is being complicated by the entrance of new caste groupings into politics; in Rajasthan, according to Susanne Rudolph, a dramatic struggle is

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1. Attending the conference as participants were Henry Hart, University of Wisconsin, McKim Marriott, University of Chicago, and Maureen Patterson, University of Chicago. Four Chicago graduate students conducting research on Indian politics attended as participant-rapporteurs.

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taking place between old and new political cultures, the former princes on the one side and rising social classes on the other; and in Madras, according to Lloyd Rudolph, the struggle for status by rising low- and middle-caste groups is the dynamic component of the new populism affecting political life. Even in the more economically depressed, and depressing, regions of Bihar and West Bengal, social factors are at work. Hauser reported that in Bihar the strivings of tribes in Chota Nagpur, the struggles of one Brahman caste against the priestly pretensions of another and of linguistic groups for cultural preservation are among the central themes in politics. Weiner noted that Congress strength in rural areas has rested heavily on recently organized tribes, scheduled castes and linguistic and religious minorities, and that the downward mobility of middle-class groups in Calcutta is an important force in strengthening the romantic and millenarian appeals of the leftist parties.

No one questioned the importance of economic scarcity as a factor in India's political life; what was questioned was the notion that economic changes have a direct effect on political behavior. Economic changes, along with other kinds of changes (such as exposure to the mass media, increased education, the establishment of adult suffrage, and the creation of new political institutions), are affecting the patterns of social relationships, and it is these changes in social relationships that affect political behavior.

SEVERAL TYPES of changes were spelled out during the seminar:

1. Actual or hoped for mobility on the part of existing castes is often accompanied by the creation of caste associations aimed at influencing administration and public policy so as to improve the social and economic position of the caste. Attempts at mobility are for changes in either the ritual or the secular position of the caste and sometimes for both. In Madras, the Rudolphs reported, caste associations had been created in the nineteenth century to affect the caste name given to them by the Census Commissioner, a decision that had a bearing on their ritual position. Secular changes are thus followed by political efforts to bring about ritual changes. In still other situations, castes look upon political organization as a means of enhancing their secular position--by persuading the government to invest more in schools and to provide more "seats" in the local colleges and in administration. Evidence for such activities can be found in, among other places, Andhra, West Bengal and Madras.

2. Political organization often results from attempts by tribal or religious bodies to enhance or preserve their identity against real or imagined threats of cultural assimilation. In the Punjab, reported Nayar, Sikh fears of cultural assimilation by Hindus is an important factor in the Akali Dal movement for a separate Sikh state. In Bihar, according to Hauser, tribes in the Chota Nagpur

area are seeking to enhance their cultural identity by agitating for a Jharkhand state.

3. The power of some social groups has been broken by governmental action, and this has often had important consequences not only in terms of political issues, but in changing the very political culture within which these issues are fought out. The merger and the absorption of the princely states of Rajasthan into the Indian Union broke into the tradition of martial power which provided the basis of legitimacy for the Rajput rulers. And in Andhra, West Bengal and Bihar, land-reform legislation has broken the overt power of the landlord classes. Henry Hart suggested that in the long run it may be easier to break down the power of a warrior class, even when its claims to power are based on blood and kinship as well as on prowess, than it is to destroy the power of a landlord class, with its extensive and intimate economic and social ties to the peasantry.

4. The pattern of urbanization has an effect on political relationships between urban and rural areas. In West Bengal, Weiner noted, many absentee rent collectors moved into urban occupations and, especially since the abolition of the zamindari system, are no longer able to control rural areas; a new rural political leadership, born and raised in rural areas, involved in local rural institutions, including credit institutions, school boards, local commercial and trading bodies--in short, a non-cultivating rural gentry--is working closely with local administration and the local Congress Party. In Calcutta, where many of the commercial and industrial establishments are in the hands of non-Bengalis, class struggle issues are important; but in the countryside, where land-reform legislation has eliminated some of the bitterest points of conflict, all political groups, the Communists included, seek to unite the countryside to make demands for more goods and services from the state government. Hauser, in his description of agrarian movements in Bihar, reported that class politics in the countryside more or less disappeared in the 1940's when agricultural prices rose, when peasant politics and nationalist sentiments collided, and when the charismatic sannyasi who had led the Kisan Sabha died. Caste, not class politics, appears to be the more dominant theme of Bihar politics.

In Madras city, as in Calcutta, the attacks of some social groups against others are, according to Lloyd Rudolph, a major theme. Status urges of non-Brahman castes, merchants and local industrialists, artisans threatened by industrial advance, and clerks and other white-collar workers clinging to a precarious respectability--all these have organized into the Dravida Munetra Kazhagam. Rudolph reported a syndrome of attitudes: a demonology which sees the North, the Delhi government, Brahmans, and Marwari businessmen as "instigators of conspiracies designed to crush them"; a pseudo rationalism which attacks Sanskritic superstition, Brahman clericalism, and the exploitative caste system--a leveling ideology,

without the rationalists' concern for natural rights or scientific modes of thought; and, finally, a reassertion of Tamil culture and an urge for some greater political expression of that proud culture. Rudolph referred to this syndrome as "populist radicalism" and, while there was some disagreement over whether the terminology contributed to or detracted from an understanding of these attitudes (for, as one participant humorously observed, "The term couldn't be appropriate because I like the American populists but have no sympathy for the DMK"), Rudolph persuasively demonstrated its political consequences. However, in contrast to West Bengal, and for reasons that are not yet clear, radicalism is spilling over into the Madras countryside more successfully than in West Bengal. Perhaps one factor, as Weiner suggested, is the differences in the respective relationship of the cultural renaissance to particular social classes and political ideologies in the two regions: in Bengal, classical forms were revised and made popular, and household Puja ceremonies became public institutions. Culture became a leveling force. In Madras, Brahmanical and non-Brahmanical cultures have not come together, and in both urban and rural areas culture has been a weapon used by one group of castes against another.

5. There is some evidence--although not enough yet to warrant reporting a trend--that occupational and income changes are cutting into loyalties to caste, religion and language. Nayar reported that in the past Muslim, Hindu and Sikh loyalties in the Punjab have been broken into by occupational divisions and nationalist loyalties. Precisely how much and what kind of overlapping exists, and what effects it will have on political struggles within the Punjab, is a question that Nayar proposes to study further. Paul Brass, presenting a preliminary report on his study of groupings within India's Parliament, noted that factions appear to exist which cut across state and language lines. Members from bordering states, generally but not always from the same party, constitute many of the parliamentary groupings.

To what extent overlapping is taking place and primordial loyalties to caste, language, religion and tribe are thereby being mitigated (not replaced) by the addition of new loyalties is of course a critical question, for if such a development does take place, one might expect a diminution of ideological politics and of uncompromising claims.

THROUGHOUT the conference these and other types of social changes were described by all the authors, and attempts were made to show the consequences of these social changes on three levels of politics: changes in political recruitment, the formation of new political groups, and emerging patterns of voting behavior. However, a strong case was presented by Susanne Rudolph for the thesis that much social change is itself a consequence of the creation of new political institutions. Her work on Rajasthan clearly demonstrates the force of this argument. The decision by the government to

establish universal adult suffrage has led to a struggle in Rajasthan between those who look upon kinship and blood ties as the source of political authority and those who stress opinion and achievement. The erosion of the older pattern, Rudolph noted, began to occur even in the pre-independence days, when the British rulers virtually demanded more positive government on the part of the native princes. Since independence the former rulers have been forced to appeal directly to the peasantry under a constitutional structure that has certain assumptions and values built into it. The creation of reserved seats for members of scheduled castes and tribes throughout the country has also brought forth a new political leadership; and the creation of new government agencies to watch over tribal welfare and to oversee the backward classes has also been an incentive to political organization that may ultimately affect the social position of various communities.

If social change and its political consequences was the primary theme of the seminar, changes in political cultures were a secondary but closely related theme. By political culture was meant the basic attitudes, orientations and perceptions which underlie political acts. The seminar's consideration of this aspect of political development was launched by Susanne Rudolph in her opening remarks on Rajasthan. She described as the main theme of her research on the former Rajput states the transition from traditional to modern politics, by which she referred to the changing patterns of legitimacy from blood and kinship to performance and achievement. It was pointed out that the transformation taking place in Rajasthan (and in Orissa too, according to the recent work of Fred Bailey) has its analogues in late nineteenth-century British India when political authority began to shift from zamindars, large landowners and rajas to a middle class with nationalist orientations.

Elsewhere, orientations toward politics are not undergoing the dramatic changes taking place in Rajasthan. Weiner reported that the pre-independence heroic tradition in politics, with its millenarian and chiliastic overtones, persists in the politics of West Bengal. He suggested that this orientation toward politics--with its reverence for martyrs, its support for outbursts against authority, and its combination of personal asceticism and political dedication--is more than a legacy of the pre-independence struggle and has strong roots in an earlier terrorist tradition which itself had strong roots in the tantric and shakti traditions of Buddhist and Hindu Bengal. Clearly, both the value assumptions underlying the new institutions as well as older cultural traditions are at work in the various regions of India.

Throughout the two days of discussion much attention was paid to politics and far less, to the regret of the participants, to what is going on at the governmental level. Little attention was paid, too, to the assessment of integrating elements in the states. The seminar therefore ended with a series of questions: (1) To

what extent is the Congress Party in each of the states reconciling the divergent factions which compose the organization? And to what extent are interest groups and other political parties developing a bargaining and compromising attitude that will make government both stable and workable? (2) Is policy the result of the interaction of political groups and political demands, or is policy being cut off from politics? In some states decision-makers have become so bureaucratized that they conceive of policy as being independent of politics, whereas elsewhere there is evidence of a closer relationship between politics and policy. (3) How innovating is government? Is India producing stable but immobilized state governments? There is some evidence that the entrance of new, more rural, less educated political leadership into state governments has resulted, presumably temporarily, in a decrease in governmental skills. In industrial relations, in agricultural policy and even in education many states are in effect relying on central government directives. How innovating and efficient the state governments are depends also on the new relationships being established between the bureaucracy and the new governments, and on this question little information was available. (4) Finally, a question constantly raised in the discussions was whether parliamentary institutions at the state level are inducting political leaders, party and interest group rank and file, and the voters into constitutional politics, and imbuing them with a respect for political differences and individual rights.

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